

國立中正大學

111 學年度碩士班招生考試

試題

[第 1 節]

| | |
|------|--------|
| 科目名稱 | 經濟學 |
| 系所組別 | 財務金融學系 |

—作答注意事項—

※作答前請先核對「試題」、「試卷」與「准考證」之系所組別、科目名稱是否相符。

1. 預備鈴響時即可入場，但至考試開始鈴響前，不得翻閱試題，並不得書寫、畫記、作答。
2. 考試開始鈴響時，即可開始作答；考試結束鈴響畢，應即停止作答。
3. 入場後於考試開始 40 分鐘內不得離場。
4. 全部答題均須在試卷（答案卷）作答區內完成。
5. 試卷作答限用藍色或黑色筆（含鉛筆）書寫。
6. 試題須隨試卷繳還。

國立中正大學 111 學年度碩士班招生考試試題

科目名稱：經濟學
系所組別：財務金融學系

本科目共 5 頁 第 1 頁

PART I. Multiple Choice (單選題 · 共 25 題 · 每題 3 分): 75%

1. If a nation has an absolute advantage in the production of a good,
 - A. it can produce that good at a lower opportunity cost than its trading partner.
 - B. it can produce that good using fewer resources than its trading partner.
 - C. it will specialize in the production of that good and export it.
 - D. Both A and C are true.

2. Suppose both buyers and sellers of housing expect the price of housing to rise in the near future. What would we expect to happen to the equilibrium price and quantity in the market for housing today?
 - A. The impact on both price and quantity is ambiguous.
 - B. Price will increase; quantity is ambiguous.
 - C. Price is ambiguous; quantity will increase.
 - D. Price will increase; quantity will also increase.

3. Technological improvement in agriculture that shift the supply of agricultural commodity to right tend to _____ total revenue to farmers as a whole because the demand for food is _____.
 - A. reduce; inelastic
 - B. reduce; elastic
 - C. increase; inelastic
 - D. increase; elastic

4. Tradable pollution permits
 - A. set the price of pollution.
 - B. set the quantity of pollution.
 - C. determine the demand for pollution rights.
 - D. reduce the incentive for technological innovations to further reduce pollution.

5. A grocery store should close at night if the _____ due to staying open.
 - A. total costs of staying open are greater than the total revenue
 - B. total costs of staying open are less than the total revenue
 - C. variable costs of staying open are greater than the total revenue
 - D. variable costs of staying open are less than the total revenue

6. If an input necessary for production is in limited supply so that an expansion of the industry raises costs for all existing firms in the market, then the long-run market supply curve for a good could be
 - A. upward sloping.
 - B. downward sloping.
 - C. perfectly elastic.
 - D. perfectly inelastic.

7. The long-run market supply curve
 - A. is always more elastic than the short-run market supply curve.
 - B. is always less elastic than the short-run market supply curve.
 - C. has the same elasticity as the short-run market supply curve.
 - D. is always perfectly elastic.

國立中正大學 111 學年度碩士班招生考試試題

科目名稱：經濟學

本科目共 5 頁 第 2 頁

系所組別：財務金融學系

8. The use of the word “competition” in the name of the market structure called “monopolistic competition” refers to the fact that
- A. monopolistically competitive firms charge prices equal to the minimum of their average total cost just like competitive firms.
 - B. monopolistically competitive firms face a downward-sloping demand curve just like competitive firms.
 - C. the products are differentiated in a monopolistically competitive market just like in the competitive market.
 - D. there are many sellers in a monopolistically competitive market and there is free entry and exit in the market just like a competitive market.
9. As the number of sellers in an oligopoly increases,
- A. collusion is more likely to occur because a larger number of firms can place pressure on any firm that defects.
 - B. output in the market tends to fall because each firm must cut back on production.
 - C. the price in the market moves further from marginal cost.
 - D. the price in the market moves closer to marginal cost.
10. An increase in the supply of labor
- A. increases the value of the marginal product of labor and increases the wage.
 - B. decreases the value of the marginal product of labor and decreases the wage.
 - C. increases the value of the marginal product of labor and decreases the wage.
 - D. decreases the value of the marginal product of labor and increases the wage.
11. If consumption when young and when old are both normal goods, an increase in the interest rate
- A. will always increase the quantity of saving.
 - B. will always decrease the quantity of saving.
 - C. will increase the quantity of saving if the income effect outweighs the substitute effect.
 - D. will increase the quantity of saving if the substitution effect outweighs the income effect.
12. If workers and firms agree on an increase in wages based on their expectations of inflation and inflation turns out to be more than they expected,
- A. firms will gain at the expense of workers.
 - B. workers will gain at the expense of firms.
 - C. neither workers nor firms will gain because the increase in wages is fixed in the labor agreement.
 - D. none of the above is true.
13. How is a purchase of a \$40,000 Honda automobile that was produce entirely in Japan recorded in the Taiwan GDP accounts?
- A. Investment increases by \$40,000 and net exports increase by \$40,000.

國立中正大學 111 學年度碩士班招生考試試題

科目名稱：經濟學

本科目共 5 頁 第 3 頁

系所組別：財務金融學系

- B. Consumption increases by \$40,000 and net exports decrease by \$40,000.
C. Net exports decrease by \$40,000 only.
D. There is no impact because this transaction does not involve domestic production.
14. Which of the following statements is *true*?
- A. A stock index is a directory used to locate information about selected stocks.
B. Longer-term bonds tend to pay less interest than shorter-term bonds.
C. Municipal bonds pay less interest than comparable corporate bonds.
D. Mutual funds are riskier than single stock purchases because the performance of so many different firms can affect the return of a mutual fund.
15. An increase in the government's budget surplus shifts
- A. the demand for loanable funds to the right and increases the real interest rate.
B. the demand for loanable funds to the left and reduces the real interest rate.
C. the supply of loanable funds to the left and increases the real interest rate.
D. the supply of loanable funds to the right and reduces the real interest rate.
16. Which of the following reduces risk in a portfolio the greatest?
- A. Increasing the number of stocks in the portfolio from 1 to 10.
B. Increasing the number of stocks in the portfolio from 10 to 20.
C. Increasing the number of stocks in the portfolio from 20 to 30.
D. All of the above provide the same amount of risk reduction.
17. It is difficult for an actively managed mutual fund to outperform an index fund because
- A. stock markets tend to be inefficient.
B. actively managed funds trade more often and charge fees for their alleged expertise.
C. index funds generally do better fundamental analysis.
D. all of the above are true.
18. A minimum-wage law tends to
- A. have no impact on unemployment as long as it is set above the competitive equilibrium wage.
B. help all teenagers because they receive a higher wage than they would otherwise.
C. create more unemployment in low-skill job markets than in high-skill job markets.
D. create more unemployment in high-skill job markets than in low-skill job markets.
19. Which of the following policy combinations would consistently work to increase the money supply?
- A. sell government bonds, decrease reserve requirements, decrease the discount rate
B. sell government bonds, increase reserve requirements, increase the discount rate
C. buy government bonds, increase reserve requirements, decrease the discount rate
D. buy government bonds, decrease reserve requirements, decrease the discount rate

國立中正大學 111 學年度碩士班招生考試試題

科目名稱：經濟學
系所組別：財務金融學系

本科目共 5 頁 第 4 頁

20. If money is neutral,
- A. an increase in the money supply does nothing.
 - B. a change in the money supply only affects real variables such as real output.
 - C. a change in the money supply only affects nominal variables such as prices and money wages.
 - D. a change in the money supply reduces velocity proportionately; therefore, there is no effect on either prices or real output.
21. If the United States imposes a quota on the importing of apparel produced in China, which of the following is *true* regarding the market for foreign-currency exchange in China?
- A. The supply of US dollars decreases and the US dollar appreciates.
 - B. The supply of US dollars increases and the US dollar depreciates.
 - C. The demand for US dollars increases and the US dollar appreciates.
 - D. The demand for US dollars decreases and the US dollar depreciates.
22. Suppose a wave of investor and consumer pessimism causes a reduction in spending. If the Central Bank chooses to engage in activist stabilization policy, it should
- A. increase government spending and decrease taxes.
 - B. increase the money supply and decrease interest rates.
 - C. decrease government spending and increase taxes.
 - D. decrease the money supply and increase interest rates.
23. Suppose the government increases its purchases by \$16 billion. If the multiplier effect exceeds the crowding-out effect, then
- A. the aggregate-supply curve shifts to the right by more than \$16 billion.
 - B. the aggregate-supply curve shifts to the left by more than \$16 billion.
 - C. the aggregate-demand curve shifts to the right by more than \$16 billion.
 - D. the aggregate-demand curve shifts to the left by more than \$16 billion.
24. Which of the following best describes how an increase in the money supply shifts aggregate demand?
- A. The money supply shifts right, prices rise, spending falls, and aggregate demand shifts left.
 - B. The money supply shifts right, prices fall, spending increases, and aggregate demand shifts right.
 - C. The money supply shifts right, the interest rate rises, investment decreases, and aggregate demand shifts left.
 - D. The money supply shifts right, the interest rate falls, investment increases, and aggregate demand shifts right.
25. If the Central Bank were to continuously use expansionary monetary policy in an attempt to hold unemployment below the natural rate, the long-run result would be
- A. an increase in the level of output.
 - B. a decrease in the unemployment rate.
 - C. an increase in the rate of inflation.
 - D. all of the above.

國立中正大學 111 學年度碩士班招生考試試題

科目名稱：經濟學

本科目共 5 頁 第 5 頁

系所組別：財務金融學系

II. ESSAY QUESTIONS (問答題, 共 2 題): 25%

1. To provide income assistance to farmers, two kinds of price support programs are adopted by the government.
 - i. The government sets a *price floor* at a price higher than the equilibrium market price, and maintains the price level by buying up the surplus farm products.
 - ii. The government sets a *target price* at the same level as the price floor in i, and gives the farmer an amount equal to the difference between the market price and the target price for each unit sold.
 - (1) Graphically demonstrate the consumer's surplus and producer's surplus without government support program. (5%)
 - (2) Discuss which policy is less inefficient than the other. (10%)

2. Suppose the economy is initially in long-run equilibrium.
 - i. Suppose there is an adverse impact on most of the manufacturing activity due to the pandemic-induced lockdown. (5%)
 - ii. Suppose there is a reduction in public medical spending due to the end of the pandemic. (5%)

According to the model of aggregate demand (AD) and aggregate supply (AS), what happens to prices and output in the *short run* and *long run*? Demonstrate the answers in i and ii, separately, with graphs.